

**REPORT OF THE AUDIT OF THE  
CALLOWAY COUNTY  
SHERIFF**

**For The Year Ended  
December 31, 2009**



**CRIT LUALLEN  
AUDITOR OF PUBLIC ACCOUNTS  
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## **EXECUTIVE SUMMARY**

### **AUDIT EXAMINATION OF THE CALLOWAY COUNTY SHERIFF**

**For The Year Ended  
December 31, 2009**

The Auditor of Public Accounts has completed the Calloway County Sheriff's audit for the year ended December 31, 2009. Based upon the audit work performed, the financial statement presents fairly, in all material respects, the revenues, expenditures, and excess fees in conformity with the regulatory basis of accounting.

#### **Financial Condition:**

Excess fees increased by \$2,791 from the prior year, resulting in excess fees of \$38,691 as of December 31, 2009. Revenues increased by \$20,286 from the prior year and expenditures increased by \$17,495.

#### **Debt Obligations:**

Total debt principal as of December 31, 2009, was \$2,474. Future collections of \$2,587 are needed over the next year to pay all debt principal and interest.

#### **Report Comments:**

- The Sheriff's Office Lacks Adequate Segregation Of Duties
- The Sheriff Should Remit \$20,237 In Excess Fees To The Fiscal Court

#### **Deposits:**

The Sheriff's deposits were insured and collateralized by bank securities.



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**CRIT LUALLEN**  
**AUDITOR OF PUBLIC ACCOUNTS**

The Honorable Larry Elkins, Calloway County Judge/Executive  
The Honorable William Marcum, Calloway County Sheriff  
Members of the Calloway County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of revenues, expenditures, and excess fees - regulatory basis of the Sheriff of Calloway County, Kentucky, for the year ended December 31, 2009. This financial statement is the responsibility of the Sheriff. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for County Fee Officials issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Sheriff's office prepares the financial statement on a regulatory basis of accounting that demonstrates compliance with the laws of Kentucky, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues, expenditures, and excess fees of the Sheriff for the year ended December 31, 2009, in conformity with the regulatory basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated August 25, 2010 on our consideration of the Calloway County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.



The Honorable Larry Elkins, Calloway County Judge/Executive  
The Honorable William Marcum, Calloway County Sheriff  
Members of the Calloway County Fiscal Court

Based on the results of our audit, we have presented the accompanying comments and recommendations, included herein, which discusses the following report comments:

- The Sheriff's Office Lacks Adequate Segregation Of Duties
- The Sheriff Should Remit \$20,237 In Excess Fees To The Fiscal Court

This report is intended solely for the information and use of the Sheriff and Fiscal Court of Calloway County, Kentucky, and the Commonwealth of Kentucky and is not intended to be and should not be used by anyone other than these interested parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen  
Auditor of Public Accounts

August 25, 2010



CALLOWAY COUNTY  
 WILLIAM MARCUM, SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2009

Revenues

Federal Grants

|   |            |           |
|---|------------|-----------|
| Federal Emergency Management Assistance | \$ 32,307  |           |
| Pennyrile Narcotics Program             | 5,000      |           |
| Highway Safety Grant                    | <u>275</u> | \$ 37,582 |

|  |        |
|--|--------|
| State - Kentucky Law Enforcement Foundation Program Fund | 41,739 |
|--|--------|

State Fees For Services:

|                                    |               |         |
|------------------------------------|---------------|---------|
| Finance and Administration Cabinet | 104,495       |         |
| Sheriff Security Service           | <u>29,027</u> | 133,522 |

Circuit Court Clerk:

|                          |        |
|--------------------------|--------|
| Fines and Fees Collected | 24,236 |
|--------------------------|--------|

|              |         |
|--------------|---------|
| Fiscal Court | 301,653 |
|--------------|---------|

|                                 |       |
|---------------------------------|-------|
| County Clerk - Delinquent Taxes | 3,903 |
|---------------------------------|-------|

|                               |         |
|-------------------------------|---------|
| Commission On Taxes Collected | 436,037 |
|-------------------------------|---------|

Fees Collected For Services:

|  |              |        |
|--|--------------|--------|
| Auto Inspections                         | 18,635       |        |
| Execution Orders                         | 5,082        |        |
| Serving Papers                           | 59,042       |        |
| Carrying Concealed Deadly Weapon Permits | <u>7,825</u> | 90,584 |

Other:

|                                 |               |         |
|---------------------------------|---------------|---------|
| School Security                 | 65,681        |         |
| Transporting                    | 4,772         |         |
| City of Hazel - Law Enforcement | 9,650         |         |
| Equipment Reimbursements        | 21,741        |         |
| Miscellaneous                   | 7,314         |         |
| Sheriff Tax Fees                | <u>58,777</u> | 167,935 |

|                 |     |
|-----------------|-----|
| Interest Earned | 227 |
|-----------------|-----|

The accompanying notes are an integral part of this financial statement.

CALLOWAY COUNTY  
 WILLIAM MARCUM, SHERIFF  
 STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

Revenues (Continued)

Borrowed Money:

|                   |            |
|-------------------|------------|
| State Advancement | \$ 213,000 |
|-------------------|------------|

|                |           |
|----------------|-----------|
| Total Revenues | 1,450,418 |
|----------------|-----------|

Expenditures

Operating Expenditures and Capital Outlay:

Personnel Services-

|                    |            |
|--------------------|------------|
| Deputies' Salaries | \$ 611,951 |
|--------------------|------------|

|                   |         |
|-------------------|---------|
| Dispatch Salaries | 126,691 |
|-------------------|---------|

|                   |        |
|-------------------|--------|
| Overtime Salaries | 98,904 |
|-------------------|--------|

Employee Benefits-

|                                  |        |
|----------------------------------|--------|
| Employer's Share Social Security | 64,778 |
|----------------------------------|--------|

Contracted Services:

|                    |       |
|--------------------|-------|
| Copier Maintenance | 2,270 |
|--------------------|-------|

|                      |       |
|----------------------|-------|
| Computer Maintenance | 3,193 |
|----------------------|-------|

Materials and Supplies-

|                               |     |
|-------------------------------|-----|
| Office Materials and Supplies | 381 |
|-------------------------------|-----|

|                   |        |
|-------------------|--------|
| Equipment Expense | 46,246 |
|-------------------|--------|

Auto Expense-

|                         |        |
|-------------------------|--------|
| Maintenance and Repairs | 35,973 |
|-------------------------|--------|

Other Charges-

|                        |        |
|------------------------|--------|
| Conventions and Travel | 13,739 |
|------------------------|--------|

|          |     |
|----------|-----|
| Training | 300 |
|----------|-----|

|      |       |
|------|-------|
| Dues | 1,104 |
|------|-------|

|         |       |
|---------|-------|
| Postage | 3,717 |
|---------|-------|

|               |     |
|---------------|-----|
| Civil Process | 150 |
|---------------|-----|

|                  |        |
|------------------|--------|
| County Ordinance | 11,180 |
|------------------|--------|

|                 |       |
|-----------------|-------|
| Executive Order | 4,457 |
|-----------------|-------|

|               |        |
|---------------|--------|
| Miscellaneous | 17,335 |
|---------------|--------|

|                           |     |              |
|---------------------------|-----|--------------|
| Payment to Another County | 900 | \$ 1,043,269 |
|---------------------------|-----|--------------|

Capital Outlays-

|          |        |
|----------|--------|
| Vehicles | 30,670 |
|----------|--------|

The accompanying notes are an integral part of this financial statement.

CALLOWAY COUNTY  
WILLIAM MARCUM, SHERIFF  
STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS  
For The Year Ended December 31, 2009  
(Continued)

Expenditures (Continued)

Debt Service:

|                   |    |              |                   |
|-------------------|----|--------------|-------------------|
| State Advancement | \$ | 213,000      |                   |
| Notes             |    | 38,601       |                   |
| Interest          |    | <u>1,514</u> | \$ <u>253,115</u> |

|                    |  |  |                     |
|--------------------|--|--|---------------------|
| Total Expenditures |  |  | \$ <u>1,327,054</u> |
|--------------------|--|--|---------------------|

|                         |  |  |               |
|-------------------------|--|--|---------------|
| Net Revenues            |  |  | 123,364       |
| Less: Statutory Maximum |  |  | <u>82,026</u> |

|                                  |  |  |              |
|----------------------------------|--|--|--------------|
| Excess Fees                      |  |  | 41,338       |
| Less: Training Incentive Benefit |  |  | <u>2,647</u> |

|   |  |  |               |
|---|--|--|---------------|
| Excess Fees Due County for 2009             |  |  | 38,691        |
| Payment to Fiscal Court - February 19, 2010 |  |  | <u>18,454</u> |

|   |  |  |                  |
|---|--|--|------------------|
| Balance Due Fiscal Court at Completion of Audit |  |  | <u>\$ 20,237</u> |
|---|--|--|------------------|

CALLOWAY COUNTY  
NOTES TO FINANCIAL STATEMENT

December 31, 2009

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of revenues over expenditures to facilitate management control, accountability, and compliance with laws.

B. Basis of Accounting

KRS 64.820 directs the fiscal court to collect any amount, including excess fees, due from the Sheriff as determined by the audit. KRS 134.310 requires the Sheriff to settle excess fees with the fiscal court at the time he files his final settlement with the fiscal court.

The financial statement has been prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this regulatory basis of accounting revenues and expenditures are generally recognized when cash is received or disbursed with the exception of accrual of the following items (not all-inclusive) at December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2009 services
- Reimbursements for 2009 activities
- Tax commissions due from December tax collections
- Payments due other governmental entities for payroll
- Payments due vendors for goods or services provided in 2009

The measurement focus of a fee official is upon excess fees. Remittance of excess fees is due to the County Treasurer in the subsequent year.

C. Cash and Investments

At the direction of the fiscal court, KRS 66.480 authorizes the Sheriff's office to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

CALLOWAY COUNTY  
NOTES TO FINANCIAL STATEMENT  
December 31, 2009  
(Continued)

Note 2. Employee Retirement System

The county officials and employees have elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a cost-sharing, multiple-employer, defined benefit pension plan that covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members. Benefit contributions and provisions are established by statute.

Nonhazardous covered employees are required to contribute 5.0 percent of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008 are required to contribute 6 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 13.50 percent for the first six months and 16.16 percent for the last six months of the year.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Non hazardous employees who begin participation on or after September 1, 2008 must meet the rule of 87 (members age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

Historical trend information pertaining to CERS' progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Retirement Systems' annual financial report which is a matter of public record. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601-6124, or by telephone at (502) 564-4646.

Note 3. Deposits

The Calloway County Sheriff maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1) (d). According to KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the Sheriff and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the Sheriff's deposits may not be returned. The Calloway County Sheriff does not have a deposit policy for custodial credit risk but rather follows the requirements of KRS 41.240(4). As of December 31, 2009, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

CALLOWAY COUNTY  
 NOTES TO FINANCIAL STATEMENT  
 December 31, 2009  
 (Continued)

Note 4. Note Payable

A. Regions Bank - Vehicles

The Calloway County Sheriff entered into a loan agreement with Regions Bank in the amount of \$36,119 at an interest rate of 5 percent. The purpose of the agreement was to purchase vehicles for the Sheriff's office. As of December 31, 2009, the principle balance of the agreement was \$0. The Calloway County Sheriff's Office was in compliance with the terms of the agreement as of December 31, 2009.

B. Regions Bank - Vehicles

The Calloway County Sheriff entered into a loan agreement with Regions Bank in the amount of \$10,300 at an interest rate is 5.15 percent. The purpose of the agreement was to purchase a vehicle for the Sheriff's Office. As of December 31, 2009, the principle balance of the agreement was \$0. The Calloway County Sheriff's Office was in compliance with the terms of the agreement as of December 31, 2009.

C. Branch Banking & Trust - Vehicles

The Calloway County Sheriff entered into a loan agreement with Branch Banking & Trust in the amount of \$8,770 at an interest rate is 8.5 percent. The purpose of the agreement was to purchase a vehicle for the Sheriff's Office. As of December 31, 2009, the principle balance of the loan was \$2,474. The Calloway County Sheriff's Office was in compliance with the terms of the agreement as of December 31, 2009.

| Year<br>Ended | Principal<br>Due | Interest<br>Due |
|---------------|------------------|-----------------|
| 2010          | \$2,474          | \$113           |

Note 5. Special Fund

The Calloway County Sheriff's Office maintains a separate account for donations, calendar program, and interest on the account, and other miscellaneous receipts. The beginning balance of this account was \$2,839. During calendar year 2009 receipts were \$72,519 and expenditures were \$39,131 leaving an ending balance of \$36,227 as of December 31, 2009.

Note 6. Forfeiture Fund

The Calloway County Sheriff's Office maintains a separate account for court ordered forfeitures of money and property. The beginning balance of this account was \$1,112. During calendar year 2009 receipts were \$611 and expenditures were \$20 leaving an ending balance of \$1,703 as of December 31, 2009.

CALLOWAY COUNTY  
NOTES TO FINANCIAL STATEMENT  
December 31, 2009  
(Continued)

Note 7. Grant

During calendar year 2009, the Sheriff's office received funds from a federal grants entitled:

|   |          |
|---|----------|
| Federal Emergency Management Assistance | \$32,307 |
| Pennyrile Narcotics Program             | \$ 5,000 |
| Highway Safety Grant                    | \$ 275   |

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS





CRIT LUALLEN  
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Larry Elkins, Calloway County Judge/Executive  
The Honorable William Marcum, Calloway County Sheriff  
Members of the Calloway County Fiscal Court

Report On Internal Control Over Financial Reporting And  
On Compliance And Other Matters Based On An Audit Of The Financial  
Statement Performed In Accordance With Government Auditing Standards

We have audited the statement of revenues, expenditures, and excess fees - regulatory basis of the Calloway County Sheriff for the year ended December 31, 2009, and have issued our report thereon dated August 25, 2010. The Sheriff's financial statement is prepared in accordance with a basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Calloway County Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying comments and recommendations, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying comments and recommendations to be a material weakness.

- The Sheriff's Office Lacks Adequate Segregation Of Duties



Report On Internal Control Over Financial Reporting And  
On Compliance And Other Matters Based On An Audit Of The Financial  
Statement Performed In Accordance With Government Auditing Standards  
(Continued)

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Calloway County Sheriff's financial statement for the year ended December 31, 2009, is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying comments and recommendations.

- The Sheriff Should Remit \$20,237 In Excess Fees To The Fiscal Court

The Calloway County Sheriff's responses to the findings identified in our audit are included in the accompanying comments and recommendations. We did not audit the Sheriff's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Calloway County Fiscal Court, and the Department for Local Government and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Crit Luallen  
Auditor of Public Accounts

August 25, 2010

## COMMENTS AND RECOMMENDATIONS



CALLOWAY COUNTY  
WILLIAM MARCUM, SHERIFF  
COMMENTS AND RECOMMENDATIONS

For The Year Ended December 31, 2009

STATE LAWS AND REGULATIONS:

The Sheriff Should Remit \$20,237 In Excess Fees To The Fiscal Court

As of December 31, 2009, the Sheriff owes excess fees of \$20,237. The additional excess fees are owed because the sheriff deposited insurance reimbursement, received from Fiscal Court, into the Special account. The Special account is to be funded by donations, calendar program, interest, and other miscellaneous receipts. The insurance reimbursement does not fall into that category. The insurance reimbursement should have been deposited to the fee account. KRS 134.310(6) states "the sheriff shall pay to fiscal court any fees, commissions, and other income of his office, including income from investments, which exceed the sum of his maximum salary as permitted by the Constitution and other reasonable expenses, including compensation for deputies and assistants". We recommend the Sheriff comply with KRS 134.310(6) and pay Fiscal Court all excess fees currently due and in the future account for monies in its proper classification.

*Sheriff's Response: I was unaware that I must spend the insurance monies in a certain time. I will comply and pay the Fiscal Court the fees due.*

INTERNAL CONTROL - SIGNIFICANT DEFICIENCY AND MATERIAL WEAKNESS:

The Sheriff's Office Lacks Adequate Segregation Of Duties

The Calloway County Sheriff's office lacks adequate segregation of duties. The same deputy preparing the daily checkout sheet also prepares the daily deposit, takes it to the bank, and posts receipts to the receipts ledger. That deputy also posts expenditures to the disbursements ledger, prepares and signs checks and performs the monthly bank reconciliation.

Segregation of duties over daily checkout procedures, deposit preparation, receipts posting, the preparation of checks, and disbursement posting is essential for providing protection from asset misappropriation and/or inaccurate financial reporting. If it is not possible to segregate all functions of the accounting process the implementation of compensating controls will help limit the severity of possible asset misappropriation and/or inaccurate financial reporting. Additionally, proper segregation of duties protects employees in the normal course of performing their daily responsibilities.

To adequately protect against the misappropriation of assets, we recommend the Sheriff separate the duties of preparing the daily deposit from the preparation of the daily checkout, with the deputy preparing the daily checkout sheet accounting for the numerical sequence of issued receipts. Also, the preparation of disbursement checks should be separated from the posting of disbursements to the disbursements ledger and bank reconciliation. If these duties cannot be segregated due to a limited staff, then strong oversight should be provided to the employee or employees responsible for these duties.

CALLOWAY COUNTY  
WILLIAM MARCUM, SHERIFF  
COMMENTS AND RECOMMENDATIONS  
For the Year Ended December 31, 2009

INTERNAL CONTROL - SIGNIFICANT DEFICIENCY AND MATERIAL WEAKNESS:  
(Continued)

The Sheriff's Office Lacks Adequate Segregation Of Duties (Continued)

We are recommending that the following compensating controls be implemented to offset this internal control weakness:

- The Sheriff should periodically compare a daily bank deposit to the daily checkout sheet and then compare the daily checkout sheet to the receipts ledger. Any differences should be reconciled. He could document this by dating and initialing the bank deposit, daily deposit, and receipts ledger.
- The Sheriff should compare the quarterly financial report to receipts and disbursements ledgers for accuracy. The Sheriff should also compare the salaries listed on the quarterly report to the individual earnings records. Any differences should be reconciled. The Sheriff could document this by dating and initialing the quarterly financial report.
- The Sheriff should periodically compare invoices to payments. The Sheriff could document this by dating and initialing the invoices.
- The Sheriff should periodically compare the bank reconciliation to the balance in the checkbook. Any differences should be reconciled. The Sheriff could document this by dating and initialing the bank reconciliation and the balance in the checkbook.

*Sheriff's Response: I will follow the recommendations to correct our lack of adequate segregation of duties.*



